

SENATOR F. LEWIS: ...explains it pretty carefully. Thank you. Senator Marvel, I'll give you back some time.

PRESIDENT: Senator Murphy.

SENATOR MURPHY: Question of Senator Schmit, if I may. Senator Schmit, Senator Lewis is mounted on his white steed and headed, full tilt, toward a redistribution of funds which would bring more funds to Bellevue. I wonder, has he switched horses, from his state aid position where he's asking for \$4 million, or did he just turn the saddle around?

SENATOR SCHMIT: I think you're right, Senator Murphy. You know if we were to apply that population basis across the board on LB 33, Senator Frank, his eyes would glaze over and the perspiration would break out on his forehead and his knuckles would become white. We've been talking about a straight per pupil basis for 15 years in this body. Bellevue doesn't like that on that basis. But in this case it becomes a holy cause. Maybe we should, if this is such a good deal on 518 Senator Murphy, you've got an excellent idea, we should go back on 33 and amend it on a per pupil basis.

PRESIDENT: Senator Nichol. Senator Koch. Senator DeCamp.

SENATOR DeCAMP: Mr. President, if this amendment were adopted I think the bulk of the people know it just completely destroys the bill. It has no relationship, no bearing whatsoever to personal property tax, other than that you have eliminated it, you've said it's eliminated. For example, take Senator Marvel's county. You said you've eliminated the personal property tax in certain respects there. But the money that is lost as a result of that elimination, you now have no relationship whatsoever to the bill because we've arbitrarily fixed a \$70 million figure and we're just going to give a \$70 million rebate to those places that have the most population, with no relationship whatsoever to personal property tax at all, no relationship whatsoever. So you have completely the opposite effects of the bill, completely the opposite. Senator Newell and several of the other senators keep making a point of the fact that the bulk of the sales tax comes from areas like Omaha. Well that is not just because Senator Newell is paying that tax. That is because these are major shopping centers for the farmers and the other people to buy their goods there. Tractors, wholesale supplies, they all pay sales tax on this, therefore, they're merely a collection agent at those points. That doesn't mean that all the teachers and laborers are paying the bulk of the sales tax, it is still a good portion, a significant portion that is being paid by these people out here who are buying this personal property, hauling it out to their farms, the center pivots and all the other things, hauling it out there, and then paying personal property taxes on it. So simply to stand up and say well we're paying more of the sales tax that comes out of Omaha, than comes out of somewhere else, really doesn't give a valid picture at all. The people out there that are buying the stuff are the ones that are paying that. Once again, those are the ones that are going to get some of the relief. But if you adopt this amendment you're not dealing with tax relief at all, you're going to tremendously increase real estate taxes in the areas you're trying to resolve the problem, a lot of the rural areas, and you're going to tremendously reduce real estate taxes in Omaha, Lincoln, areas like that with no relationship at all to the personal property tax, no reason for it.